

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 217 - SB 203**

February 17, 2009

**SUMMARY OF BILL:** Requires LEAs to provide a transitional kindergarten program for students who are developmentally delayed. Students who are categorized as developmentally delayed will be required to attend a transitional kindergarten program prior to entering a regular kindergarten classroom. This categorization will be an LEA decision. Provisions take effect beginning in school year 2010-2011.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$32,736,000/FY10-11 and  
Subsequent Years**

**Increase Local Expenditures - \$10,912,000/FY10-11 and  
Subsequent Years**


**Assumptions:**

- There is not a tracking system to determine how many pre-kindergarten students are currently classified as developmentally disabled in Tennessee. Children may be classified as developmentally disabled across a wide spectrum, each with their own categories of treatment and therapy requirements and options. In addition to regular transitional kindergarten teachers, depending upon the severity of the developmental disability, students may be required to have a one-on-one treatment setting, while other students with milder disabilities will have a higher student-teacher ratio for services. It is unknown how many pre-kindergarten students are currently receiving treatment or what their development classification is.
- The Department of Education (DOE) estimates that approximately 80,000 students will be eligible for kindergarten in the 2009-2010 school year. Of those, approximately 15,000 children may be placed in a transitional kindergarten program. Regular kindergarten classrooms have a student teacher ratio of 20:1. Transitional kindergarten classrooms will have a student teacher ratio of 15:1.

- In the absence of this bill, approximately 4,000 regular classrooms will be generated (80,000 students/20). With a transitional kindergarten program, DOE estimates that 65,000 students will generate 3,250 classrooms (65,000 students/20). The 15,000 students placed in a transitional kindergarten classroom will generate 1,000 classrooms (15,000 students/15). Total classrooms generated with the transitional kindergarten program will be 4,250 (3,250 + 1,000).
- The difference between the regular classrooms that would have been generated and the transitional kindergarten classrooms is 250 (4,250 – 4,000). Approximately 250 additional classrooms will be generated.
- The average pre-kindergarten BEP component classroom cost is \$112,000 per classroom. This amount includes salary and benefits for a teacher, teacher's aides, and classroom materials.
- Students classified as developmentally disabled will fall under a variety of educational options. DOE estimates that the average child in a transitional kindergarten classroom will fall under Option 3 which generates a student teacher ratio of 46:1 for related treatment services. Approximately 326 teachers will be hired for these services (15,000/46) at a cost of \$48,000 in BEP generated salary and benefits.
- Costs for classrooms will be approximately \$28,000,000 (250 classrooms x \$112,000). Costs for additional related services teachers will be approximately \$15,648,000 (326 x \$48,000). Total cost will be approximately \$43,648,000.
- Costs will be split between state and local governments with 75 percent being state costs and 25 percent being local costs.
- Total increase in local expenditures is estimated to be \$10,912,000 (\$43,648,000 x 25%).
- Total increase in state expenditures is estimated to be \$32,736,000 (\$43,648,000 x 75%).

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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